Payment of Commission by STC to M/s. Interpelz of GDR

1097. SHRI J. P. GOYAL: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the State Trading Corporation is paying commission at 4 per cent to Messrs Interpelz of GDR towards technical advisory service charges on export of shoe uppers;

(b) what is the total export of shoe uppers every year and the amount of commission paid to M/s. Interpelz of GDR annually and since when it is being paid to them;

(c) the nature of technical services already provided or being provided by M/s. Interpelz of GDR for which this commission is being given to them;

(d) the number of persons from STC or the shoe industry who have been sent to GDR for obtaining training in shoe factories there; and

(e) whether it is proposed to stop such payment to M/s. Interpelz of GDR?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) Service charge is being paid by STC to M/s. Interpelz for rendering technical advisory services. The rate of service charge was 3 per cent on net f.o.b. value during October—December, 1985 and it has been raised to 5 per cent since January, 1986.

(b) Total export of shoe uppers during 1986-87 amounted to Rs. 2417.52 lakhs (c.i.f. value (prov). Service charge is being paid to M/s Interpelz since October, 1985. In 1986-87, the payment amounted to Rs. 102.22 lakhs.

(c) Technical services being provided by M/s. Interpelz include:— Furnishing of models and patterns together with technical details for enabling factories to undertake production of counter samples. Providing technical specifications, colour swatches, cutting patterns, manufacturing aids etc. to enable to undertake bulk-production; in process technical guidance for production of counter samples as well as execution of bulk orders by deputing technical experts to India training of Indian experts to India, training of Indian personnel in GDR shoe factories etc.

(d) During 1986, three technical personnel were deputed from the shoe industry for training at shoe factories in GDR. Another batch of 3—4 technical personnel is proposed to be deputed for this purpose during the current year.

(e) No, Sir.

Export of Footwear

1098. DR. MOHD. HASHIM KIDWAI: Will the Minister of COMMERCE be pleased to state:

(a) the number of pairs of footwear exported to foreign countries during the last three years alongwith the names of countries to which footwear were exported;

(b) the amount of foreign exchange earned thereby;

(c) whether there has been any increase or decline in the export of footwear; and

(d) what are the details of steps taken by Government to encourage the export of footwear?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) and (b) Leather footwear exports during the last three years mainly to USA, FRG, France, Canada, U.K., Netherland, GDR, Denmark, Italy etc are estimated by the Council fo